Illinois
Insurance

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Director of Insurance . . . Nat Shapo
Asst. Director . . . Madelynne Brown
Editor . . . . . Nan Nases
Graphics . . . . . Shelley McQuern

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Deadline for Holocaust claims extended to March 31, 2003

ICHEIC reaches agreement with German Foundation

Following months of negotiations, the International Commission on Holocaust Era Insurance Claims (ICHEIC) and the German Foundation, "Remembrance, Responsibility, and the Future," have reached an agreement which provides a minimum of DM 550 million (approximately $275 million) for insurance claims against German insurance companies and for humanitarian purposes.

ICHEIC Chairman Lawrence S. Eagleburger and Foundation representative Ambassador Hans Otto Brautigam signed the settlement framework on September 19, 2002. The full agreement was signed during a formal signing ceremony in Washington, D.C. on October 16. The settlement calls for the production of significant policyholder lists from the insurance companies' archives, as well as a flexible and sophisticated process for matching the names on those lists to compilations of ICHEIC claimants and to a newly created list of Jewish residents of Germany during the National Socialist era. Substantial procedures for audits, claims monitoring and appeals are designed to ensure a fair and just process for survivors and claimants.

To allow adequate time for the public to review the lists, ICHEIC also extended the claims deadline from September 30 to March 31, 2003. Relaxed standards of proof are in place to provide benefits to those who cannot fully document their claims. Claim forms may be obtained from ICHEIC by calling (800) 957-3203 in the United States or visiting their web site at **www.icheic.org.**

Illinois Insurance Director Nat Shapo, who chairs the National Association of Insurance Commissioners International Holocaust Commission Task Force and represents the NAIC in ICHEIC negotiations with the German Foundation, issued the following statement:

"We're pleased that this agreement, which is the result of demanding and extensive negotiations, will at last fulfill the promise held for survivors and claimants in the original Foundation accords. All parties worked hard to produce a fair agreement, which conforms to the principles the NAIC has insisted upon.

"The regulators look forward to working with ICHEIC, the Foundation, the Jewish groups and the companies for the full implementation of this important measure. By bringing the entire German market into this process along with the original ICHEIC companies, we've greatly expanded survivors' opportunities to see valid claims paid."♦

Insurance legislation summary—2002

The following insurance-related bills passed both houses of the Illinois General Assembly during the Spring 2002 session. The complete text of these laws can be found at **www.legis.state.il.us**.

House Bills

HB 1889 (PA 92-0764) effective January 1, 2003—amends the Illinois Insurance Code, Health Maintenance Organization Act, Voluntary Health Services Plans Act, and the State Employees Group Insurance Act of 1971 to require policies of individual and group insurance to provide coverage for charges incurred for hospital care and anesthetics provided in conjunction with dental care in a hospital, ambulatory surgical treatment center or by a certified anesthesiologist. This legislation limits coverage to: children under 6; individuals with a medical condition that requires hospitalization or general anesthesia for dental care; or disabled individuals.

The coverage established by House Bill 1889 is subject to any limitations, exclusions or cost sharing generally applicable under the policy of insurance. The bill specifically states that dental services are not required to be covered. The bill also specifies that the requirements are not applicable to dental-only, short-term travel, accident-only, limited, or specified disease insurance policies, nor to policies or contracts designed for issuance to persons eligible for coverage under Medicare, or any other similar coverage under state or federal governmental plans.

HB 4220 (PA 92-0770) effective January 1, 2003—amends the Managed Care Reform and Patient Rights Act to prohibit health care plans (HMOs) from requiring enrollees in both individual and group contracts to utilize the services of a physician other than their attending physician without the agreement of the enrollee's attending physician.

HB 4371 (PA 92-0669) effective January 1, 2003—amends the Illinois Insurance Code to create a new section (215 ILCS 5/143.24c) which stipulates that an insurer may not cancel, refuse to issue, or refuse to renew a policy solely on the basis that one or more claims have been made during the preceding 60 months for a loss that is the result of a hate crime committed against the person or property insured if they provide evidence to the insurer that the act causing the loss is identified as a hate crime on a police report. House Bill 4371 defines an insured (for purposes of the applicability of the new change) to be an individual, a religious organization (as defined by federal law), an educational organization (as defined by federal law), and a nonprofit organization (as described in federal law) that is operating for religious, charitable or educational purposes.

The bill also provides that a violation constitutes an unfair method of competition or deceptive business practice.

HB 4407 (PA 92-0751) effective August 2, 2002—amends the Illinois Vehicle Code to provide that if an insurance company has paid a total loss claim for hail damage that does not affect the operational safety of a vehicle, the registered owner may retain the vehicle.

HB 4975 (PA 92-0835) effective January 1, 2003—amends the Illinois Vehicle Code to provide that if the permitted user of a new or used vehicle dealer's automobile has liability insurance coverage that provides at least $100,000 for bodily injury to or the death of any person, $300,000 for bodily injury to or the death of any 2 or more persons in any one accident, and $50,000 for damage to property, then the permitted user's insurer is considered primary and the dealer's insurance policy is secondary. If the permitted user does not have a liability insurance policy that provides the specified limits or has no insurance at all, then the new and used vehicle dealer's insurer is considered the primary insurer and the permitted user's insurer is secondary.

House Bill 4975 also requires that when a permitted user is "test driving" a new or used dealer's automobile, the dealer's insurance is to be considered primary and the permitted user's insurance is secondary.

According to House Bill 4975, "test driving" occurs when a permitted user, with the permission of the new or used vehicle dealer or an employee of the dealer, drives a vehicle owned and held for sale or lease by a vehicle dealer that the person is considering to purchase or lease in order to evaluate the performance, reliability, or condition of the vehicle.

HB 4989 (PA 92-0556) effective June 24, 2002—amends Article XL (Insurance Information and Privacy Protection Act) of the Illinois Insurance Code (215 ILCS 5/1001, et seq.) to authorize the Director to enforce the privacy provisions of the federal Gramm-Leach-Bliley Act (GLBA). Specifically, the Director is authorized to make reasonable rules and regulations as may be necessary to permit enforcement of the privacy provisions of the GLBA.

HB 5606 (PA 92-0630) effective July 11, 2002—amends the Illinois Comprehensive Health Insurance Plan Act (ICHIP) to extend to 90 days, rather than 63, the requirement for an individual to apply for coverage following the in-

voluntary termination of individual health insurance coverage due to the insolvency of an insurance carrier.

HB 5607 (PA 92-0541) effective July 1, 2002—amends the Illinois Insurance Code to modify the interest rate used in calculating nonforfeiture values for individual deferred annuities issued from July 1, 2002, until July 1, 2005, to be 1.5% per annum, rather than the current 3% per annum.

HB 5615 (PA 92-0775) effective July 1, 2003—amends the Illinois Vehicle Code to provide that a person convicted a third or subsequent time for driving without liability insurance must submit proof of financial responsibility to the Illinois Secretary of State for at least one year. This legislation also requires that the Illinois Secretary of State suspend the license of any person who fails to provide the required proof of financial responsibility.

HB 5822 (PA 92-0578) effective June 26, 2002—amends the Illinois Insurance Code (215 ILCS 5/155.32) as well as numerous other Acts to provide that entities and persons regulated under those Acts may conduct transactions in a language other than English through an employee or agent acting as an interpreter or through an interpreter provided by a customer.

HB 5842 (PA 92-0579) effective January 1, 2003—amends 215 ILCS 5/370i and adds 215 ILCS 5/356z.2 to the Illinois Insurance Code and 215 ILCS 125/4.5-1 of the Health Maintenance Organization Act. House Bill 5842 requires insurance companies to provide prominent disclosure in the policy and certificate stating that when the consumer utilizes a non-participating provider for a non-emergency covered service, their benefit payment will be reduced by the insurer. In accordance with House Bill 5842, insurance companies would be required to provide disclosure explaining that the basis of the benefit payment will be determined according to the policy fee schedule, usual and customary charge (which is determined by comparing charges for similar services adjusted to the geographical area where the services are performed), or other method as defined in the policy.

House Bill 5842 also requires that consumers be advised that to obtain further information about the participating status of professional providers and information on out-of-pocket expenses, they must call the toll-free telephone number on the identification card provided by the company.

Senate Bills

SB 1996 (PA 92-0587) effective June 26, 2002—amends the Illinois Insurance Code to provide that a signed disclosure be obtained by the producer if the compensation or fee exceeds 10% of the premium amount. According to Senate Bill 1996, the producer would be required to maintain the requisite fee disclosure for 7 years. Senate Bill 1996 also provides that if a policy or contract is cancelled for any reason within 90 days following the inception date, the producer or business entity must refund a prorated portion of the fee or compensation within 30 days after receiving proper documentation that the policy or contract has been cancelled. This legislation also stipulates that at no time can a producer or business entity charge the consumer a fee or compensation for cancellation of any insurance policy or contract.

SB 2098 (PA 92-0594) effective June 27, 2002—creates the Senior Pharmaceutical Assistance Act and a Senior Pharmaceutical Assistance Review Committee that consists of 17 members. Each of the four caucus leaders is permitted to appoint two members of the General Assembly and one member of the general public. The remaining five members of the commission include the Director or a designee of the following state agencies: Aging; Revenue; Public Aid; Human Services; and Public Health.

Senate Bill 2098 requires that the members appointed from the general public must represent statewide membership-based senior advocacy organizations, pharmaceutical manufacturers, pharmacists, dispensing pharmacies, physicians, and providers of services to senior citizens. No single organization may have more than one representative appointed as a member from the general public. The President of the Senate and Speaker of the House each must designate one member to serve as co-chairs. The Committee is required to report to the General Assembly and the Governor annually or as it deems necessary regarding proposed or recommended changes to pharmaceutical assistance programs that benefit Illinois seniors and any associated cost of those changes.

Senate Bill 2098 also creates the Senior Health Assistance Program within the Department of Aging to provide outreach and education to senior citizens on available prescription drug coverage and discount programs, and will also operate a clearinghouse for all information regarding prescription drug coverage programs available to senior citizens. This entity will also be responsible for maintaining a toll-free telephone number staffed by trained customer service representatives.

Senate Bill 2098 requires the Illinois Comprehensive Health Insurance Plan (ICHIP) to study and estimate the cost of a catastrophic pharmaceutical assistance coverage option through ICHIP or another public or private entity. The study must also recommend ways to create a catastrophic pharmaceutical assistance coverage option.

legislation (cont'd on page 4)

legislation (cont'd from page 3)

Senate Bill 2098 permits ICHIP to seek private/public funds to be held in trust to conduct the study. ICHIP is required to issue the report with recommendations to the Governor and General Assembly by January 1, 2003.

SB 2245 (PA 92-0745) effective January 1, 2003—amends the current prompt pay law of the Illinois Insurance Code (215 ILCS 5/368a) to require Physician Hospital Organizations (PHOs) and Individual Practice/Provider Associations (IPAs) to make periodic provider payments (capitation) after the enrollee has selected their health care professional or health care facility in accordance with a monthly periodic schedule. Senate Bill 2245 represents a cleanup to the prompt pay statute by deleting the phase-in provisions applicable only to IPAs and PHOs which stated that, "Before January 1, 2001, subsequent periodic payments shall be made in accordance with a 60-day periodic schedule, and after December 31, 2000, subsequent periodic payments shall be made in accordance with a monthly periodic schedule."♦

The Illinois Department is saddened by the recent loss of two employees, both of whom suffered from lengthy illnesses. **Dan Hambelton**, a market conduct examiner, passed away on September 22 and **Joe Burge**, a member of our mail room staff, on September 28.

We extend our deepest sympathy to their families.

Department rules review

The full text of Department rules is printed in the *Illinois Register* published weekly by the Illinois Secretary of State's Index Department, 111 E. Monroe St., Springfield, IL 62756. Subscriptions are available from that source for an annual fee of $290. Issue numbers and a Department contact person are listed below after each rule summary.

Adopted rules are codified in Title 50 of the Illinois Administrative Code, and are posted on the Department's website at **www.state.il.us/ins/RULES/admin_rules_title_50.htm**. Copies of rules are also available upon written request to the Department of Insurance at a charge of $1 per page.

Rule 919 (Improper Claims Practices) was amended July 22, 2002, to address the problem of unpaid death benefits when insurance companies issue multiple insurance policies on the same life, but either do not check for multiple policies upon receiving a death claim or lack an effective system to do so. The rule sets forth standards for insurance company record searches to ensure the proper payment of all death claims. The rule will become effective on July 1, 2003, to allow insurance companies adequate time to prepare for and implement the search requirements. (Vol. 26, #31; Dale Emerson).

Rule 2016 (Mastectomies) and **Rule 5421** (Health Maintenance Organization) were adopted August 19, 2002, to ensure Illinois' compliance with the federal Women's Health and Cancer Rights Act with respect to reconstruction, symmetry and prostheses for policies and plans that provide medical and surgical benefits for mastectomies. (Vol. 26, #35; Bill McAndrew).

Rule 2403 (Producer Felony Review) was adopted effective July 5, 2002, to set forth felony review standards that the Director will consider when determining the appropriate action to take pursuant to Section 500-70 of the Illinois Insurance Code. During the 92nd General Assembly, PA 92-0386 was passed which essentially mirrors the NAIC Producer Licensing Model Act, taking effect on January 1, 2002. Because this Act adds multiple new sections to the existing Article XXXI of the Code [215 ILCS 5/500-5 through 500-150] while also repealing similar sections under the same Article [215 ILCS 5/490.1 through 511.1] the Department is left with a new statutory framework that requires regulatory standards.

Previously Section 505.1(a)(7) of the Code allowed the Director to suspend, revoke or deny an insurance producer's license if the individual had been convicted of a felony within 3 years, unless rehabilitation could be shown. The equivalent new section [500-70 (a)(6)] does not include the "within 3 years" language nor does it statutorily set discretionary authority permitting the Director to consider whether sufficient rehabilitation has been demonstrated to warrant the public trust when a licensee or applicant has been convicted of a felony. (Vol. 26; #29; James C. Rundblom)♦

Hearings

Completed Hearings:

Leonid & Zhanna Belogur
State Farm Mutual Auto Ins. Co.
Hearing No. 3970
Nonrenewal effective 7/25/02

Virginette Cannon
Madison Mutual Insurance Co.
Hearing No. 3969
Nonrenewal effective 7/25/02

Rose A. Fitzgerald
Illinois Farmers Insurance Co.
Hearing No. 3977
Cancellation disallowed 8/1/02

John & Kathy Fournier
The American Insurance Co.
Hearing No. 3980
Nonrenewal effective 8/7/02

Anthony Abdul Haqq
Hearing No. 3931
Application for license denied
8/13/02

Byron Jones
Hearing No. 3872
Application for license denied
Civil forfeiture assessed 9/4/02

Andrew M. Martinez
Hearing No. 3886
Application for license denied
8/13/02

MedPlan, Inc.
Hearing No. 3952
Cease and desist made permanent
Civil forfeiture assessed 8/13/02

RxPoint
Hearing No. 3953
Cease and desist made permanent
Civil forfeiture assessed 8/13/02

Amelia St. Ville
Allstate Insurance Company
Hearing No. 3981
Nonrenewal effective 8/7/02

Shahab B. Taj
Greenwich Insurance Company
Hearing No. 3959
Policy reinstated 7/25/02

Charles, Dorothy & Ron Wilson
State Farm Mutual Auto Ins. Co.
Hearing No. 3979
Cancellation effective 8/1/02

Scheduled Hearings:

Alpha & Omega Delivery, Inc.
Hearing No. 4001
Workers' Compensation rate
appeal 10/2/02

Paul Alter
Illinois Life & Health Insurance
Guaranty Association
Hearing No. 3994
Guaranty Association Appeal
9/26/02

Byron D. Arthur
Hearing No. 3998
Suspension of Licensing Authority
10/17/02

Curtis E. Bosworth
Bosworth Insurance Agency
Hearing No. 3999
Revocation of Licensing Authority
10/3/02

Wesley D. Carver
Hearing No. 4004
Denial of Licensing Authority
10/23/02

Thomas V. Conwell
Hearing No. 3991
Revocation of Licensing Authority
10/9/02

Custom Rail Employer(s) Welfare
Trust Fund
Hearing No. 3978
Cease and desist 10/8/02

Allen Durham
Hearing No. 3996
Denial of Licensing Authority
10/10/02

Future First Financial Group/
The Fidelity Trust
Hearing No. 3997
Cease and desist 10/2/02

Michael Mulholland
State Farm Fire & Casualty Co.
Hearing No. 4002
Nonrenewal 10/16/02

National Guild of Medical
Professionals Local 45
Hearing No. 3989
Cease and Desist 10/30/02

Port to Port, Inc.
Hearing No. 4000
WC Rate Appeal 10/1/02

Venice Police Pension Fund
Hearing No. 3964
Pension 10/21/02

Matthew & Susan Wittum
Country Mutual Insurance Co.
Hearing No. 4003
Nonrenewal 10/24/02

**Scheduled Hearings–
Workers Compensation
Assessments:**

Associated Beer Distributors of IL
Risk Management Association
Hearing No. 3911; 10/22/02

Chicago Midwest Meat Assn.
Hearing No. 3901; 10/10/02

Consolidated Construction Safety
Fund of Illinois
Hearing No. 3909; 11/7/02

Construction Employers Risk
Management Association
Hearing No. 3920; 10/24/02

Hearings (cont'd on page 6)

Hearings (cont'd from page 5)

Scheduled Hearings–Workers Compensation Assessments (cont'd):

Illinois AG Service Workers Comp Trust
Hearing No. 3905; 10/8/02

Illinois Aggregate Producers Risk Management Association
Hearing No. 3918; 10/24/02

Illinois Cooperative Workers' Compensation Group
Hearing No. 3916; 10/24/02

IL Grocers Risk Management Assn.
Hearing No. 3902; 10/16/02

Illinois Movers & Warehousemans Risk Management Association
Hearing No. 3915; 10/24/02

Illinois Non Profit Risk Management Association
Hearing No. 3904; 10/7/02

Illinois Press Association Risk Management Group
Hearing No. 3919; 10/24/02

Illinois Restaurant Risk Management Association
Hearing No. 3913; 10/9/02

Illinois State Ambulance Risk Management Association
Hearing No. 3917; 10/24/02

Illinois State Bowling Proprietor & Recreational Industry Workers Compensation Trust
Hearing No. 3907; 10/17/02

McDonalds Operators Risk Management Association
Hearing No. 3912; 10/15/02

Mid West Truckers Risk Management Association
Hearing No. 3914; 10/24/02

Nursing Homes Risk Management Association
Hearing No. 3908; 10/15/02

Peoria Area Chamber of Commerce Trust
Hearing No. 3903; 10/16/02

Residential Carpentry, Inc.
Hearing No. 3922; 10/23/02

Risk Management Association of the Residential Construction Employers Council
Hearing No. 3910; 10/23/02

Workers Compensation Trust of IL
Hearing No. 3906; 10/9/02

Settled without Hearing:

Dan Christman
Hearing No. 3987
Dismissed 8/19/02

Brandon Dooley
Travelers Indemnity Company
Hearing No. 3983
Dismissed 7/12/02

Ganna Construction, Inc.
Hearing No. 3966
Dismissed 8/30/02

Stephen & Nancy Harcourt
USAA
Hearing No. 3986
Dismissed 8/12/02

Over the Road Truckers Healthcare Fund
O.T.R. Truckers Association Healthcare Fund
O.T.R. Truckers Health & Welfare Fund
Hearing No. 3975
Stipulation and Consent Order
8/8/02

Frank Trotman
Cincinnati Casualty Company
Hearing No. 3965
Dismissed 8/5/02♦

Exam reports filed

Financial

American Freedom Insurance Co.
8/15/02
CompDent of Illinois, Inc.
8/22/02
Farmers Automobile Management Corp., Attorney in Fact for The Farmers Automobile Ins. Assn.
8/13/02
Health Care Systems, Inc.
8/22/02
Modern Woodmen of America
8/22/02
Pekin Insurance Company
8/13/02
Sidney Hillman Health Center of the Chicago and Central States Joint Board, Amalgamated Clothing and Textile Workers Union, AFL-CIO
8/22/02

Market Conduct

Argonaut Insurance Company
9/6/02
Fidelity & Guaranty Life Ins. Co.
8/6/02
Maryland Casualty Insurance Co.
7/25/02
Minnesota Life Insurance Co.
8/6/02
OSF Health Plans, Inc.
6/20/02
Standard Mutual Insurance Co.
7/25/02♦

Producer regulatory action

(Copies of regulatory orders are available upon written request to the Producer Regulatory Unit, for $1/page. The number of pages are indicated in parentheses following the effective date.)

Suspension of Producer License

Cesar D. Arellano
5830 North Bernard Avenue
Chicago, IL 60659
Effective 07/13/02 (2)

Sharaf Basem
7411 North Clarmont
Chicago, IL 60645
Effective 07/17/02 (2)

Errol S. Chavin
2829 West Lunt Avenue
Chicago, IL 60645
Effective 05/31/02 (2)

Dan Christman
1208 Williamsburg
Champaign, IL 61821
Effective 08/19/02 (2)

Kenneth J. Coates
1835 St. Louis Avenue
East St. Louis, IL 62205
Effective 07/20/02 (2)

Irene C. Daer
246 Evelyn Avenue #6
Loves Park, IL 61111
Effective 08/31/02

Edward A. Fox
1092 Kenilworth Drive
Wheeling, IL 60090
Effective 07/19/02 (7)

Jim M. Hahaj
6618 East Riverside Avenue
Post Falls, ID 83854
Effective 07/29/02 (2)

Dawn M. Hawi
7411 North Claremont 1-W
Chicago, IL 60645
Effective 07/17/02 (2)

Charles E. Koen
334 East 75th Street
Chicago, IL 60619
Effective 08/31/02 (2)

Dwayne McNeal
265 East Sycamore
Kankakee, IL 60901
Effective 07/20/02 (2)

Dewey E. Paccagnini
PO Box 350192
Elmwood Park, IL 60707
Effective 07/25/02 (2)

Rajinish J. Patel
2101 Grand Ave
Wausau, WI 54403
Effective 07/25/02 (2)

Denial of Producer License

Paul Anderson
6600 South 6th Street Road, #215
Springfield, IL 62707
Effective 08/31/02 (3)

Diane K. Carnell
1788 Manchester Drive
Grafton, WI 53024
Effective 07/26/02 (3)

Anthony Abdul Haqq
2052 Ridge Road
Homewood, IL 60430
Effective 8/13/02 (9)

Andrew M. Martinez
13415 South Avenue M., Apt. 1F
Chicago, IL 60633
Effective 08/13/02 (10)

Kenneth H. Thomasson
440 South 5th Street
Niles, MI 49120
Effective 07/20/02 (2)

Stipulation and Consent Order–Civil Forfeiture Paid

Baldwin and Company
3033 West Jefferson, Suite 218
Joliet, IL 60435
Effective 9/3/02 (3)

Jeffrey A. Barnes
26 Knollwood Place
Joliet, IL 60433
Effective 9/3/02 (3)

Revocation of Producer License

Michael J. Agrella
29385 Virginia Lane
Wauconda, IL 60084
Effective 08/16/02 (14)

William R. Murray
1202 East Stevenson Drive
Springfield, IL 62701
Effective 08/16/02 (3)

Suspension Lifted

Willie R. Barron Jr.
17787 Devon Drive
Country Club Hills, IL 60478
Effective 08/13/02 (1)

Michael T. Foy
1127 West Farwell
PO Box 268471
Chicago, IL 60626
Effective 06/07/02 (3)

Nikole Jones
412 Madison
Calumet City, IL 60409
Effective 08/16/02 (3)

Joseph A. Vendemia
107 Wenatchee Way
Poplar Grove, IL 61065
Effective 08/13/02 (3) ♦

Flood insurance seminars scheduled

The National Flood Insurance Program and the Illinois FAIR Plan Association are offering seminars for Illinois insurance producers on the following dates. Individuals can earn seven (7) continuing education hours for enrolling in both courses.

Dates and Locations

Springfield, IL—October 17, 2002

Rockford, IL—October 22, 2002

Bannockburn, IL—October 23, 2002

Hoffman Estates, IL—October 24, 2002

For registration, agenda, or more information, contact the Professional Independent Insurance Agents of Illinois at (217) 793-6660 or check their website at: **www.piiai.org**.♦

UIPI offers national workshop on urban insurance

The rapid population shift to urban areas is creating new opportunities and challenges for insurers, prompting a second national workshop on urban insurance. The workshop, set for October 23-24 in Chicago, is being organized by the Urban Insurance Partners Institute, a nonprofit insurance industry group, dedicated solely to urban affairs. Representatives of the Illinois Department of Insurance and the National Association of Insurance Commissioners will participate.

This year's national workshop will feature an all new agenda, enabling insurers to stay on top of the latest urban insurance developments. Topics covered will include demographics; multicultural marketing; agent recruitment and retention; urban investments; underwriting; credit scoring; regulation; litigation trends; commercial insurance; and model programs.

Additional information and registration is available on-line at **www.uipi.org**, or by calling (773) 880-8780.♦

Company action

Market Conduct Fines

The following entities were issued a Stipulation and Consent Order and fined for Insurance Code violations and/or improper claims practices cited in an Illinois market conduct examination:

Argonaut Insurance Co., IL, 9/6/02; $10,000

Fidelity and Guaranty Life Insurance Company, MD, 8/6/02; $10,000

Minnesota Life Insurance Company, MN, 8/6/02; $20,000

New Companies

Eagle Pacific Insurance Company, WA, 7/16/02

Peerless Indemnity Insurance Company, IL, 8/20/02

Sompo Japan Fire & Marine Insurance Company of America, NY, 8/2/02

Suspensions

London Pacific Life & Annuity Company, NC, suspended 8/6/02; company is under an order of rehabilitation in North Carolina

Terminations

Atlantic States Insurance Company, PA, cancelled its Certificate of Authority effective 9/3/02

ProNational Casualty Company redomiciled from IL to AL on 9/9/02 and is not licensed as a foreign insurer♦

Illinois Department of Insurance
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Springfield, Illinois 62767

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